

HOUSE No. 2561

By Mr. Scaccia of Boston, petition of Angelo M. Scaccia for legislation to increase the tax on retail sales in the Commonwealth. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT RELATIVE TO THE SALES TAX.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 64H of the General Laws, as appearing in
2 the 2000 Official Edition, is hereby amended by striking out
3 section 2 and inserting in place thereof the following section:—

4 SECTION 2. An excise is hereby imposed upon sales at retail
5 in the commonwealth, by any vendor, of tangible personal prop-
6 erty or of services performed in the commonwealth at the rate of
7 six percent of the gross receipts of the vendor from all such sales
8 of such property or services, except as otherwise provided in this
9 chapter. The excise shall be paid by the vendor to the commis-
10 sioner at the time provided for filing the return required by
11 section 16 of chapter 62C.

1 “SECTION 3. Said chapter 64H, as so appearing, is hereby
2 amended by striking out section 4 and inserting in place thereof
3 the following section:—

4 Section 4. For the purpose of adding and collecting the tax
5 imposed by this chapter, or an amount equal as nearly as possible
6 or practicable to the average equivalent thereof, to be reimbursed
7 to the vendor by the purchaser, the following formula shall be in
8 force and effect as follows:—

9	Amount of	Amount of
10	Sale	Tax
11	\$0.01 to \$0.07 inclusive	No tax
12	\$0.08 to \$0.24 inclusive	1 cent
13	\$0.25 to \$0.41 inclusive	2 cents
14	\$0.42 to \$0.57 inclusive	3 cents
15	\$0.58 to \$0.74 inclusive	4 cents
16	\$0.75 to \$0.90 inclusive	5 cents
17	\$0.91 to \$1.07 inclusive	6 cents
18	In addition to a tax of six cents on each full dollar, a tax shall	
19	be collected on each part of a dollar in excess of a full dollar in	
20	accordance with the above formula.	

1 “SECTION 4. Section 30A of said chapter 64H, as so
2 appearing, is hereby amended by striking out subsections (a) and
3 (b) and inserting in place thereof the following subsections:—

4 (a) Where a nonresident contractor enters into a contract with a
5 person pursuant to which or in the carrying out of which tangible
6 personal property will be consumed or used within the common-
7 wealth, the nonresident contractor shall deposit with the commis-
8 sioner a sum equivalent to six per cent of the total amount to be
9 paid under the contract, or shall furnish the commissioner with a
10 guarantee bond satisfactory to the commissioner in a sum equiva-
11 lent to six per cent of such total amount, to secure payment of the
12 tax payable relative to tangible personal property consumed or
13 used pursuant to or in the carrying out of the contract and shall
14 obtain a certificate in duplicate from the commissioner that the
15 requirements of this subsection have been met.

16 (b) Any person dealing with a nonresident contractor without
17 first obtaining the duplicate copy of the certificate from the com-
18 missioner as required in subsection (a) shall deduct six per cent of
19 all amounts payable to the nonresident contractor and pay it over
20 to the commissioner on behalf of or as agent for the nonresident
21 contractor, or shall furnish the commissioner with a guarantee
22 bond satisfactory to the commissioner in a sum equivalent to six
23 per cent of such total amount, to secure payment of the tax
24 payable relative to tangible personal property consumed or used
25 pursuant to or in the carrying out of the contract.

1 SECTION 5. Section 2 of chapter 64I of the General Laws, as
2 appearing in the 2000 Official Edition, is hereby amended by
3 striking out section 2 and inserting in place thereof the following
4 section:—

5 Section 2. Except as otherwise provided in this chapter an
6 excise is hereby imposed upon the storage, use or other consump-
7 tion in the commonwealth of tangible personal property or serv-
8 ices purchased from any vendor for storage, use or other
9 consumption within the commonwealth at the rate of six per cent
10 of the sales price of the property or services. The excise shall be
11 paid by the taxpayer to the commissioner at the time provided for
12 filing the returns required by section 16 of chapter 62C.

1 SECTION 6. Said chapter 64I, as so appearing, is hereby
2 amended by striking out section 5 and inserting in place thereof
3 the following section:—

4 For the purpose of adding and collecting the tax imposed by
5 this chapter, or an amount equal as nearly as possible or practi-
6 cable to the average equivalent thereof, to be paid to the common-
7 wealth or to be reimbursed to the vendor by the purchaser, the
8 following formula shall be in force and effect as follows:—

9 Amount of	Amount of
10 Sale	Tax
11 \$0.01 to \$0.07 inclusive	No tax
12 \$0.08 to \$0.24 inclusive	1 cent
13 \$0.25 to \$0.41 inclusive	2 cents
14 \$0.42 to \$0.57 inclusive	3 cents
15 \$0.58 to \$0.74 inclusive	4 cents
16 \$0.75 to \$0.90 inclusive	5 cents
17 \$0.91 to \$1.07 inclusive	6 cents

18 In addition to a tax of six cents on each full dollar, a tax shall
19 be collected on each part of a dollar in excess of a full dollar in
20 accordance with the above formula.

1 “SECTION 7. Section 31A of said chapter 64I, as so appearing,
2 is hereby amended by striking out subsections (a) and (b) and
3 inserting in place thereof the following subsections:—

4 (a) Where a nonresident contractor enters into a contract with a
5 person pursuant to which or in the carrying out of which tangible

6 personal property will be consumed or used within the common-
7 wealth, the nonresident contractor shall deposit with the commis-
8 sioner a sum equivalent to six percent of the total amount to be
9 paid under the contract, or shall furnish the commissioner with a
10 guarantee bond satisfactory to the commissioner in a sum equiva-
11 lent to six percent of such total amount, to secure payment of the
12 tax payable relative to tangible personal property consumed or
13 used pursuant to or in the carrying out of the contract and shall
14 obtain a certificate in duplicate from the commissioner that the
15 requirements of this subsection have been met.

16 (b) Any person dealing with a nonresident contractor without
17 first obtaining the duplicate copy of the certificate from the com-
18 missioner as required in subsection (a) shall deduct six per cent of
19 all amounts payable to the nonresident contractor and pay it over
20 to the commissioner on behalf of or as agent for the nonresident
21 contractor, or shall furnish the commissioner with a guarantee
22 bond satisfactory to the commissioner in a sum equivalent to six
23 per cent of such total amount, to secure payment of the tax
24 payable relative to tangible personal property consumed or used
25 pursuant to or in the carrying out of the contract.